



Vestry Meeting

MEETING MINUTES

Tuesday, April 30, 2019

Attendees

Rector	Associate Rector	Senior Warden	Junior Warden
<input checked="" type="checkbox"/> The Rev. Lisa M. Zaina	<input checked="" type="checkbox"/> The Rev Cindy Simpson	<input checked="" type="checkbox"/> Outgoing - Christie Carrico <input checked="" type="checkbox"/> Incoming- Janice Musselman	<input checked="" type="checkbox"/> Wayne Cross-outgoing <input checked="" type="checkbox"/> Geoffrey Fuller-incoming

Vestry Committee (outgoing/incoming)			
<input checked="" type="checkbox"/> Mary Barnstead	<input checked="" type="checkbox"/> Robert Follit	<input checked="" type="checkbox"/> Timothy Johnson	<input type="checkbox"/> Adebayo Lanionou
<input checked="" type="checkbox"/> Meghan Matulka	<input checked="" type="checkbox"/> Delia McCormick	<input checked="" type="checkbox"/> Steve McNeil	<input checked="" type="checkbox"/> Katherine Schexnider
<input checked="" type="checkbox"/> Audra Snider	<input checked="" type="checkbox"/> Diana Locke	<input checked="" type="checkbox"/> James Suit	<input checked="" type="checkbox"/> Emily Pierce
<input checked="" type="checkbox"/> Treasurer: Steve McNeil	<input checked="" type="checkbox"/> Secretary/Incoming Vestry: Kennerly Chapman <input checked="" type="checkbox"/> Other attendees: Caroline Chapin		

Agenda

Opening Prayer – The Rev. Lisa M. Zaina

Rev. Zaina read a favorite passage from text that had been included in her orientation package and then led the Vestry in an opening prayer.

Welcome to new Vestry Members – Rev. Lisa

Rev. Lisa welcomed new Vestry members and extended her appreciation to outgoing members and special gratitude to Christie Carrico for all her tireless efforts during her tenure as Sr. Warden.

Review and Approval of Minutes of the March 26th meeting

The March meeting minutes were reviewed and approved conditional on two minor statements being amended. All voted in favor to approve.



Vestry Oath

Rev. Zaina issued the oath of vestry office to Tim Johnson, who was not able to be present at the Annual meeting on April 28, 2019.

Presentations

Christ Episcopal School Overview and Update- Dr. Caroline Chapin

Dr. Chapin provided a comprehensive background to help provide a framework for the new vestry members to obtain a perspective of where we were, where we are and where we are going with regards to the school and the various properties. Approximately four years ago, the school board, then Rector McDuffie and Christie Carrico began a dialogue to ensure that the vision for the church, the school and its surrounding properties was aligned. Dr. Chapin had joined as CES Head of School in 2010, in the midst of already brooding challenges with the Jefferson building---which was purchased in 2003. At that time, it was anticipated that we would have sufficient funds to service the mortgage debt anticipating that student enrollment would double from 200 to 400 students. About 2008, independent schools began to see a decrease in enrollment—even the larger well-established schools. Many other similar schools like CES had to cut back severely or were forced to close. Although cash flow was a significant concern, the CES community has been able to keep the school open and keep its enrollment around 150-155, which is enough to cover expenses. Fast forward to the present, it became clear that while the Jefferson building gave the church a parking lot, it no longer represented a good return on investment (ROI). A subsequent conversation began with both leadership from CEC and CES to move forward with renovations to the church, the school and a new school building, which has been an ongoing endeavor, and to sell the Jefferson Building. It was reported that the sale of the Jefferson building will be delayed until the parking lot can be broken off and made part of a consolidated lot including the church and the other parcels we own. That subdivision process is underway, beginning with city review and approval, but the timing is uncertain. The market value of the Jefferson Building will be lower because of it conveying with less parking, and it is anticipated that the sale proceeds will fall considerably short of the mortgage payoff amount. It is somewhat helpful that the swap loan associated with the building is not a lien on the property. The goal of being debt free after the sale of the building, renovations to the school and church, and construction of the new school, is in question. With less parking, the Jefferson Building would be suitable for a buyer who would develop it as senior housing, which is consistent with a previous opinion that its highest and best use is for senior housing. It was suggested that the head of school make regular status reports to the vestry on matters relating to renovation, subdivision, new construction and sale of the Jefferson Building, and the finances related to those items.

Finance Report- Steve McNeil

Steve reported that overall March was a good month. The income statement YTD was in the black and we had a surplus of \$13K from last year. The stock market is strong and pledge numbers are slightly higher by 5%. Loose plate collection is down from year over year. With Youth camp not occurring this summer, we will not incur an expense of \$25k-\$30k. We will have rent and facility expenses for



March/April and it is critical we get Hillstrom House repaired and rented. We received a donation gift of \$33,620 for a new piano. We are considering cutting back outreach funds to the Rockville Community ministry by \$10K this year. The music ministry is funded at 25 hours per week, given the interim music director is part-time.

Balance Sheet

In summary, for the April update:

- We have a balance of \$92K as of 3/31.
- We anticipate a (-\$18K) will turn around and become positive in April because of the projected strong stock market.
- The Endowment fund generated distributable income of \$115K in FY18 and has fund assets of \$127K available for distribution
- The mortgage swap settlement is negative \$453K as of 3/31
- Expenses related to the severance Mother Debra are in its last month, so we will have \$15K we can re-cycle into other projects
- The ultimate sale of the Jefferson building, notwithstanding some ongoing challenges, will put us in a stronger financial position for the future

Building Update - Geoff Fuller

Geoff stated that CEC has several repairs with priorities that range from routine to urgent, a few new items need to be funded, presumably from the endowment fund, the original building proposal has some updates related to new requirements. Last, the endowment fund requires two approvals. Geoff reiterated that discussions continue regarding the renovations to the school and classrooms with a proposed start date of June 1st and completion on September 1st to take advantage of school not being in session. This may have some operational challenges for the church over the summer.

Regarding CEC repairs, of immediate concern (high priority) are items that include the nursery HVAC system, Hillstrom House repairs, fire alarm, church entry, Parish House gutters and the kitchen floor for a projected total of \$15,855. Hillstrom House repairs were approved for \$4800 and the updated cost is projected at \$8,200. Other repairs deemed medium priority (six identified) were summarized. It was recommended that priorities that were identified as urgent (i.e., safety related, disruptive to operations, revenue impact) be moved to a vote. Details regarding both high and medium priorities were presented by Geoff to provide a framework for general understanding. Several miscellaneous tasks were also mentioned (i.e., exterior pests, lighting, bricks in columbarium, chandelier in parish house) in the update. Finally, Geoff mentioned that utilizing endowment funds would require a second vote. Meghan motioned to approve with Jim seconding the vote. All voted in favor. A second vote to approve \$4800 was motioned by Emily, with a second by Geoff. All voted in favor.

As the incoming Sr. Warden, Janice asked that it be confirmed the fire alarm was activated and on, that both the Senior and Junior Warden be added to the call down list, along with Rev. Zaina; noting the property chair receives the first call. Geoff acknowledged the same and assured this would be handled.



Last, regarding classroom renovations, a Request for Proposal (RFP) was issued on April 25, 2019 and a walk-through was conducted today, April 30th, with bids due on May 7th. An award is expected the week of May 17th. Permits are expected to follow, prior to the work starting, and the contractor will park close to the school entrance. The CEC will pack up the kitchen closets, flower room and cabinets outside the choir room prior to June 2nd. Crates will be provided by the contractor. The Sr. Warden and Rev. Simpson had no additional updates to provide.

Rev. Zaina, Rector:

New Business:

- The Sr Warden (Janice Musselman) will work with Rev. Zaina to determine who the points of contact (POCs) to the various committees will be from the Vestry, where gaps exist
- Jason West, interim Director of Music, is currently in this position through August. He will be invited to remain through December 2019 to keep continuity of the music ministry. A search committee headed by Rev. Zaina along with Mary Barnstead will commence soon to select a permanent music and organ director.
- We've witnessed an increase in attendance at the 11 am service and plan to maintain what we currently have in place for now regarding number of services offered, including our summer schedule of two (2) services, returning to three (3) in the Fall.
 - We're exploring the option of doing a once monthly evening service
- The church was approached about renting out the church for weddings from non-parishioners. Rev Zaina will consider all options before making a decision
- New ministry creation – some thought is being given to having a blessing for new people or those leaving the parish and offer this on a quarterly basis. Also, being considered is showcasing new people in the newsletter and including photos from events to be welcoming of to those that are finding CEC as their new church home.

Committee Reports

Given this was the first meeting of the new vestry and the comprehensive and necessary overview by Dr. Chapin, only the following committees provided updates:

St. Francis Flock – This year's Lenten series went very well. We learned a lot from this event – especially about the need to designate a facilitator for any discussion that follows. This is an event for the church but is also an outreach event and we were pleased that many attendees were from the community, including a dinner group that chose to come to both of our movies. More members of the community came than from the church and we would like to work on getting more church members to attend. Many attendees from outside of the church were interested in a church that was animal welfare friendly.

Welcoming Committee- There is a welcoming party for new members this coming Sunday, that is being led by Rev. Cindy. The Committee is looking for additional greeters and volunteers to help. Emily said she will help.

Housekeeping



A gentle reminder about coming early to help set up in the Parish House for our meetings and tear down afterwards.

Next meeting

The next Vestry meeting will be Tuesday, May 21st because of the following week being the Memorial Day holiday, when we would normally meet. We will likely not conduct a Vestry meeting in the month of August.

We adjourned with Rev. Simpson leading us in a prayer and citing words from a favorite poem.

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